

September 16, 2015

VIA FEDERAL EXPRESS

Mr. Darrell Nitschke
Executive Secretary
North Dakota Public Service Commission
600 E. Boulevard, Dept. 408
Bismarck, ND 58505-0480



**RE: NuStar Pipeline Operating Partnership L.P.'s Ten Year Plan for 2015-2025
Case No. PU-15-_____**

Dear Mr. Nitschke:

Enclosed for filing are an original and ten (10) copies of the following documents:

1. NuStar Pipeline Operating Partnership L.P.'s Ten Year Plan: 2015-2025;
2. Notice of Filing Ten Year Plan: 2015-2025; and
3. Certificate of Service.

Electronic copies of the enclosed documents were filed with the Commission today via e-mail. If you have any questions, please let me know.

Sincerely,

A handwritten signature in dark ink, appearing to read "Mollie M. Smith".

MOLLIE M. SMITH

MMS/kas
Enclosures

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Minneapolis
55402-1425

PU-15-672 Filed 09/16/2015 Pages: 10
2015 ten year plan
NuStar Pipeline Operating Partnership, L.P.
Mollie Smith, Fredrikson&Byron, P.A.

TEN YEAR PLAN: 2015-2025
NuStar Pipeline Operating Partnership L.P.

September 2015

In accordance with Section 49-22-04 of the North Dakota Century Code and Chapter 69-06-02 of the North Dakota Administrative Code, NuStar Pipeline Operating Partnership L.P. ("NuStar"), submits the following Ten Year Plan for years 2015 through 2025.

- (1) A description of the general location, size, and type of all facilities to be owned or operated by the utility during the ensuing ten years, as well as those facilities to be removed from service during the ten-year period.

NuStar's existing 10-inch North System Pipeline transports refined petroleum products and extends west from the Tesoro Refinery in Mandan, North Dakota, through NuStar terminals in Jamestown, North Dakota, and Moorhead and Sauk Center, Minnesota, to a terminal in Roseville, Minnesota. NuStar's North System Pipeline also transports refined petroleum products produced in Kansas, Oklahoma, and Texas, which are delivered to the Jamestown terminal from a NuStar 4-inch refined products pipeline extending north from Kansas. At the various terminals along the North System Pipeline, refined petroleum products are distributed by customers (e.g., retail outlets and contract end-users) in North Dakota and Minnesota.

NuStar will submit a Consolidated Application for a Certificate of Corridor Compatibility and Route Permit requesting approval from the North Dakota Public Service Commission (the "Commission") for construction of an approximately 7.3 mile-long, 8-inch-diameter pipeline that will extend between Cenex Pipeline, LLC's ("Cenex") proposed refined petroleum products terminal (the "Cenex Fargo Terminal"), located approximately 1.3 miles southeast of Prosper, North Dakota, and NuStar's existing North System Pipeline, located approximately 2 miles southeast of Mapleton, North Dakota. The proposed pipeline and associated facilities owned by NuStar are referred to as the Laurel Interconnect Pipeline Project (the "Project"). The Project is located entirely in Cass County, North Dakota.

NuStar does not currently have plans to remove any facilities from service during the ten-year period.

- (2) An identification of the location of the tentative preferred site for all energy conversion facilities and the tentative location of all transmission facilities on which construction is intended to be commenced within the ensuing five years and such other information as may be required by the commission. The site and corridor identification shall be made in compliance with the criteria published by the commission pursuant to section 49-22-05.1.

NuStar has evaluated a study area for the Project to determine the best location for the placement of the corridor and route in order to meet the needs of the Project, while minimizing land use and environmental impacts, and taking into consideration landowner input and design and construction limitations. The selected location of the route within the corridor was made in compliance with Section 49-22-05.1 of the North Dakota Century Code. NuStar's Consolidated

Application for a Certificate of Corridor Compatibility and Route Permit, which will be filed with the Commission in the near future, will discuss the Project's compliance with the Section 49-22-05.1 criteria in greater detail. NuStar continually assesses its pipeline system to meet market demands but currently has no plans to construct additional transmission facilities within the next five years.

- (3) A description of the efforts by the utility to coordinate the plan with other utilities so as to provide a coordinated regional plan for meeting the utility needs of the region.

NuStar, in coordination with Cenex, evaluated both NuStar's and Cenex's refined petroleum products pipeline systems, and both utilities concluded that connecting the two systems via the proposed Project and the proposed Cenex Fargo Terminal would enhance the refined petroleum products supply capabilities of both systems. The Project will provide Cenex with greater refined petroleum product supply optionality through the use of NuStar's North System Pipeline. The North System Pipeline has a direct connection to the Tesoro Refinery in Mandan, North Dakota; a terminal connection to a pipeline transporting product from refineries in Kansas, Oklahoma, and Texas; and a terminal connection in Moorhead, Minnesota. Thus, the Project will enable Cenex to deliver refined petroleum products from multiple sources to meet customer demand in the Fargo-Moorhead area via either its existing system or NuStar's system. The Project will also enable NuStar to more efficiently distribute diesel fuel and gasoline and meet customer demand within the states of North Dakota and in Minnesota. The specific benefits to the NuStar system are discussed further in Section 5 below.

In addition, with respect to the proposed Project, NuStar performed a centerline survey of the Project route, and based on that survey, NuStar identified all third-party entities/utilities that would be encountered (e.g., petroleum, water, electric). NuStar contacted each entity to obtain its respective crossing and encroachment guidelines and requirements. NuStar has incorporated these requirements into the Project design, and will work closely with each entity during construction and future operations and maintenance in order to safely construct and operate the Project around these adjacent utilities.

- (4) A description of the efforts to involve environmental protection and land-use planning agencies in the planning process, as well as other efforts to identify and minimize environmental problems at the earliest possible stage in the planning process.

NuStar has employed a qualified environmental consulting firm to conduct studies of and identify avoidance and exclusion areas within the proposed Project corridor and route, in accordance with Chapter 49-22 of the North Dakota Century Code and Chapter 69-06-08 of the North Dakota Administrative Code. NuStar has consulted with federal, state and local agencies and officials regarding the Project, and to date, no environmental or land-use concerns have been identified that would preclude development of the Project along the route identified. NuStar has also developed an Environmental Mitigation Plan that outlines general construction-related mitigation measures to avoid or minimize impacts to natural and cultural resources from Project development.

- (5) A statement of the projected demand for the service rendered by the utility for the ensuing ten years and the underlying assumptions for the projection, with that information being as geographically specific as possible, and a description of the manner and extent to which the utility will meet the projected demands.

Between 2007 and 2013, consumption of petroleum products in North Dakota increased significantly – from 26,411 to 40,679 thousand barrels per year.¹ NuStar and Cenex expect this increased demand to continue or increase during the next ten years. The Project, in conjunction with the proposed Cenex Fargo Terminal, will provide a connection between Cenex's existing Laurel Pipeline and NuStar's existing North System Pipeline, thereby enhancing the refined petroleum products supply capabilities of both systems and better ensuring that the systems can efficiently meet this increased refined petroleum product customer demand.

With respect to the NuStar system, the Project will enable NuStar to more efficiently distribute diesel fuel and gasoline and meet customer demand within the states of North Dakota and Minnesota. The Project will allow NuStar to aggregate the gasoline and diesel fuel that comes off of Cenex's Laurel Pipeline at the Cenex Fargo Terminal with the supply from North Dakota, Kansas, Oklahoma, and Texas already transported by the North System Pipeline. The additional supply from Cenex's Laurel Pipeline will enable NuStar to take more gasoline and diesel fuel off of the North System Pipeline at the Jamestown terminals to meet the increased North Dakota demand, and still continue to fulfill refined petroleum product customer needs downstream at NuStar's Moorhead, Sauk Center and Roseville terminals. As a result, NuStar will be able to convert and dedicate existing tanks at the Jamestown, North Dakota terminals to gasoline and diesel fuel storage, which will increase the overall supply of gasoline and diesel fuel available to the North Dakota market. For example, NuStar will be better able to meet the gasoline and diesel fuel needs of North Dakota consumers from the centrally located Jamestown terminals during peak agricultural production periods. In essence, connecting to Cenex's refined products system will better enable NuStar to ensure refined petroleum product customers at its terminals (including the Jamestown and Moorhead terminals) receive the amounts and types of products required, and can meet the needs of both North Dakota and Minnesota consumers.

¹ See U.S. Energy Information Administration, *Total End-Use Energy Consumption Estimates 1960-2013, North Dakota* (available at http://www.eia.gov/state/seds/data.cfm?incfile=/state/seds/sep_use/tx/use_tx_ND.html&sid=North Dakota) (last accessed on Sept. 3, 2015).

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Case No. PU-15-____

IN THE MATTER OF THE FILING OF A TEN
YEAR PLAN BY NUSTAR PIPELINE
OPERATING PARTNERSHIP L.P.

CERTIFICATE OF SERVICE

Mollie M. Smith, being first duly sworn, does depose and state that on September 16, 2015, the following document was served:

Ten Year Plan: 2015-2025

by placing a true and correct copy of said document in an envelope addressed as follows:

Mr. Michael Montplaisir
County Auditor
P.O. Box 2806
Fargo, North Dakota 58108-2806

and depositing the same, with postage prepaid, in the United States mail at Minneapolis, Minnesota.


MOLLIE M. SMITH

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Case No. PU-15-____

IN THE MATTER OF THE FILING OF A TEN
YEAR PLAN BY NUSTAR PIPELINE
OPERATING PARTNERSHIP L.P.

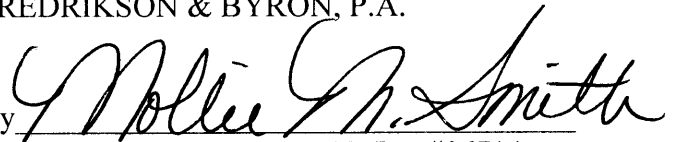
**NOTICE OF FILING TEN YEAR PLAN
2015-2025**

PLEASE TAKE NOTICE that NuStar Pipeline Operating Partnership L.P., in accordance with Section 49-22-04 of the North Dakota Century Code and Chapter 69-06-02 of the North Dakota Administrative Code, filed a Ten Year Plan for the years 2015 through 2025 with the North Dakota Public Service Commission on September 16, 2015, and the Cass County Auditor on September 16, 2015.

Dated this 16 day of September, 2015.

FREDRIKSON & BYRON, P.A.

By



MOLLIE M. SMITH, ND Bar #06714

Attorneys for NST Express, LLC

200 South Sixth Street, Suite 4000

Minneapolis, MN 55402-1425

(612) 492-7270

CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that a true and correct copy of the following document:

NOTICE OF FILING TEN-YEAR PLAN: 2015-2025

was served on the 16 day of September, 2015 by placing the same in the United States mail,
postage prepaid, properly addressed to the following:

North Dakota Aeronautics Commission
P.O. Box 5020
Bismarck, ND 58502-5020

North Dakota Office of Attorney General
State Capitol
600 E. Boulevard Ave.
Dept. 125
Bismarck, ND 58505

North Dakota Dept. of Agriculture
600 E. Boulevard Ave.
Dept. 602
Bismarck, ND 58505-0020

North Dakota Dept. of Health
600 E. Boulevard Ave.
Bismarck, ND 58505-0200

Dept. of Human Services
600 E. Boulevard Ave.
Dept. 325
Bismarck, ND 58505-0250

North Dakota Dept. of Labor
600 E. Boulevard Ave.
Dept. 406
Bismarck, ND 58505-0340

Department of Vocational Education
c/o Career and Technical Education
State Capitol, 15th Floor
600 E. Boulevard Ave., Dept. 270
Bismarck, ND 58505-0610

North Dakota Dept. of Commerce
P.O. Box 2057
Bismarck, ND 58503

Energy Infrastructure and Impact Office
North Dakota Department of Trust Lands
1707 North Ninth Street
P.O. Box 5523
Bismarck, ND 58506-5523

North Dakota Game and Fish Department
100 N. Bismarck Expressway
Bismarck, ND 58501-5095

North Dakota Industrial Commission
600 East Boulevard Ave., Dept. 405
Bismarck, ND 58505-0840

Office of Governor Jack Dalrymple
State of North Dakota
600 E. Boulevard Ave.
Bismarck, ND 58505-0100

North Dakota Department of Transportation
608 E. Boulevard Ave.
Bismarck, ND 58505-0700

State Historical Society of North Dakota
612 E. Boulevard Ave.
Bismarck, ND 58505-0830

North Dakota Indian Affairs Commission
State Capitol Building
600 E. Boulevard Ave.
1st Floor - Judicial Wing, Rm. 117
Bismarck, ND 58505-0300

Job Service North Dakota
P.O. Box 5507
Bismarck, ND 58506-5507

North Dakota Department of Trust Lands
1707 North 9th Street
P.O. Box 5523
Bismarck, ND 58506-5523

North Dakota Parks and Recreation Dept.
1600 E. Century Ave., Suite 3
Bismarck, ND 58503-0649

North Dakota State Soil Conservation Committee
c/o NDSU Extension Service
2718 Gateway Ave., Suite 104
Bismarck, ND 58503

North Dakota State Water Commission
900 E. Boulevard Ave., Dept. 770
Bismarck, ND 58505-0850

United States Department of Defense
1400 Defense Pentagon
Washington, DC 20301-1400

United States Fish and Wildlife Service
North Dakota Field Office
3425 Miriam Avenue
Bismarck, ND 58501-7926

United States Army Corps of Engineers
North Dakota Regulatory Office
1513 South 12th Street
Bismarck, ND 58504

United States Department of Transportation
Federal Aviation Administration
800 Independence Ave, SW
Washington, D.C. 20591

Cass County Commission
County Auditor: Michael Montplaisir
P.O. Box 2806
Fargo, North Dakota
58108-2806

North Dakota Transmission Authority
c/o North Dakota Industrial Commission
State Capitol 14th Floor
600 E. Boulevard Ave. Dept. 405
Bismarck, ND 58505-0840

North Dakota Pipeline Authority
c/o North Dakota Industrial Commission
State Capitol 14th Floor
600 E. Boulevard Ave. Dept. 405
Bismarck, ND 58505-0840


MOLLIE M. SMITH

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